



EXHIBIT A-1
AMERICAN REPUBLIC NOTICE OF DISCONTINUATION OF COVERAGE

See attached for a sample notice.

IMPORTANT NOTICE REGARDING YOUR MAJOR MEDICAL COVERAGE

CONFIDENTIAL

Dear Policyholder:

We are writing to inform you of an important decision American Republic Insurance Company ("American Republic") has made regarding individually underwritten comprehensive major medical insurance in [STATE], which impacts your comprehensive major medical coverage.

This letter contains important information about the cancellation of your major medical policy.

Like all companies, we continually monitor our business strategy to ensure a competitive presence in the rapidly changing insurance market. With the changes in the major medical insurance marketplace and the resulting uncertainty brought on by the regulatory environment, American Republic has determined it is no longer able to provide the kind of major medical insurance protection our customers have come to expect. During a recent review of American Republic's overall businesses, the difficult decision was made to exit the individually underwritten comprehensive major medical insurance business in all of our existing markets. It is with our sincere regret that we inform you of this news.

This is American Republic's formal written notice of non-renewal and discontinuance of your policy, or termination and discontinuance of your policy, on [insert], 2012. Please contact your insurance agent now for assistance in finding replacement coverage to ensure continuation of coverage without interruption. In addition to seeking coverage from another major medical provider in your state, you may choose to contact your state risk pool [insert link] or [the federal risk pool [insert link]].

This applies only to individually underwritten comprehensive major medical insurance. If you or a family member has other insurance coverage with American Republic, the decision to exit the individually underwritten comprehensive major medical business will in no way impact the company's other group and individual products and services, including but not limited to accident, annuities, basic medical expense, critical illness, dental, limited benefit, long-term care, home healthcare, Medicare supplemental, short-term care, short-term medical, supplemental medical/hospital indemnity, term life, universal life, and whole life.

American Republic will continue to serve you until our withdrawal from the individually underwritten comprehensive major medical insurance market has been completed. During this period, we will continue to process claims and respond to customer inquiries as we have always done.

If you have questions, please contact your agent or call American Republic toll-free at [insert].

Sincerely,

Michael E. Abbott
President and Chief Executive Officer
American Republic Insurance Company

American Republic Insurance Company

NOTICE OF CANCELLATION

This letter contains important information about the cancellation of your major medical policy.

YOUR IMMEDIATE ATTENTION IS NECESSARY

This notice is to inform you of American Republic Insurance Company's ("American Republic") decision to exit the individually underwritten comprehensive major medical insurance marketplace and cancel its in-force blocks of individually underwritten major medical insurance policies. This includes your policy.

GUARANTEED OFFER TO OBTAIN COVERAGE

To ensure a way for you to maintain this important protection without interruption, American Republic is collaborating with Celtic Insurance Company ("Celtic"), a wholly-owned subsidiary of Centene Corporation, a multi-billion dollar health services organization, to offer you a guaranteed option to obtain coverage from Celtic without undergoing a new underwriting process or providing evidence of insurability. Details regarding this decision and the offer from Celtic are attached.

No medical questions or additional prequalification is necessary.

Simple enrollment process – no initial payment required.

Protect yourself and ensure that your coverage continues without interruption.

Call 1-800-XXX-XXX today to obtain coverage from Celtic.

American Republic will continue to serve you until our withdrawal from the individually underwritten comprehensive major medical insurance market has been completed. During this period, we will continue to process claims and respond to customer inquiries as we have always done. Both American Republic and Celtic are committed to making this a smooth transition.

This applies only to individually underwritten comprehensive major medical insurance.

If you or a family member has other insurance coverage with American Republic, this decision will have no impact on the company's other group and individual products and services, including but not limited to accident, annuities, basic medical expense, critical illness, dental, limited benefit, long-term care, home healthcare, Medicare supplemental, short-term care, short-term medical, supplemental medical/hospital indemnity, term life, universal life, and whole life.

**If you have questions, contact your agent
or call American Republic toll-free at 1-800-XXX-XXXX.**

IMPORTANT NOTICE REGARDING YOUR MAJOR MEDICAL COVERAGE

Dear Policyholder:

We are writing to inform you of an important decision American Republic Insurance Company ("American Republic") has made regarding individually underwritten comprehensive major medical insurance in [STATE], which impacts your comprehensive major medical coverage.

This letter contains important information about the cancellation of your major medical policy.

Like all companies, we continually monitor our business strategy to ensure a competitive presence in the rapidly changing insurance market. With the changes in the major medical insurance marketplace and the resulting uncertainty brought on by the regulatory environment, American Republic has determined it is no longer able to provide the kind of major medical protection our customers have come to expect. During a recent review of American Republic's overall businesses, the difficult decision was made to exit the individually underwritten comprehensive major medical insurance business in all of our existing markets.

You are being offered replacement coverage.

Because we care about our policyholders, American Republic is collaborating with Celtic Insurance Company ("Celtic"), a wholly-owned subsidiary of Centene Corporation, a multi-billion dollar health services organization, to offer you replacement coverage based on Celtic's rates, benefits, service area and provider network. You are being offered a [insert # of days] day guaranteed option to obtain coverage from Celtic without undergoing a new underwriting process or providing evidence of insurability. Celtic policies will include similar waivers and rate-ups as your existing coverage. This ensures a way for you to maintain this important protection without interruption. For more information on Celtic, please see the enclosed overview prepared by, and provided to you on behalf of Celtic.

You must act now to accept the guaranteed replacement insurance policy.

In order to obtain the guaranteed replacement insurance policy from Celtic, you need to carefully follow the instructions described in the offer by the dates specified. Acceptance of the Celtic offer will also serve as a termination of coverage under your American Republic policy at the end of the day on [insert], and Celtic will pay all claims for all services covered by the Celtic policy rendered after the termination of your American Republic coverage.

You have the right to reject the Celtic offer and seek coverage with another carrier. Failure to accept the Celtic offer or to take all of the steps required by it is the same as rejecting the Celtic offer.

If you reject the Celtic offer, coverage under your policy will terminate on [insert], 2012, and you will no longer have coverage with American Republic for services or claims after that date. Your policy anniversary is printed in the upper right corner on the first page of this letter. If you reject the Celtic offer and:

- your policy anniversary is after [insert] (*day of the year that member notices are mailed*) and before [insert], American Republic will offer to renew your policy but only for a term ending on [insert], 2012, or
- your policy anniversary is [insert], American Republic will not renew your policy on its next anniversary date, [insert], 2012, or

- your policy anniversary is after [insert], as permitted by the terms of your policy, American Republic will terminate your policy on [insert], 2012.

This letter is American Republic's formal written notice to you of non-renewal and discontinuance of your policy, or termination and discontinuance of your policy, on [insert], 2012.

This applies only to individually underwritten comprehensive major medical insurance.

This decision is strictly limited to our individually underwritten comprehensive major medical insurance. If you or a family member has other insurance coverage with American Republic, the decision to exit the individually underwritten comprehensive major medical business will in no way impact the company's other group and individual products and services, including but not limited to accident, annuities, basic medical expense, critical illness, dental, limited benefit, long-term care, home healthcare, Medicare supplemental, short-term care, short-term medical, supplemental medical/hospital indemnity, term life, universal life, and whole life.

American Republic will continue to serve you until our withdrawal from the individually underwritten comprehensive major medical insurance market has been completed. During this period, we will continue to process claims and respond to customer inquiries as we have always done. Both American Republic and Celtic are committed to making this a smooth transition.

If you have questions, please contact your agent or call American Republic toll-free at [insert].

Sincerely,

Michael E. Abbott
President and Chief Executive Officer
American Republic Insurance Company

Keep you and your family covered, without interruption.
Your coverage is guaranteed.

DATE

Dear NAME OF INSURED,

As you know, your current health insurance company has chosen Celtic Insurance Company (Celtic) to help transition you to another high quality health insurance plan.

You are guaranteed uninterrupted health coverage with Celtic. All that's needed is your signature to keep you and your family insured. *We won't turn you down because of health issues. There are no health questionnaires to fill out.*

A personalized *Offer Acceptance Form* is enclosed that reflects the Celtic plan(s) we're offering you that most closely matches your current coverage. *Please review our offer.* Accept this offer as soon as possible for your new insurance to be effective January 1, 2012. This is a one-time offer that cannot be extended past the deadline of December 31, 2011. After the deadline, you and your dependents are subject to underwriting.

- Once you accept the offer from Celtic we will notify your current carrier who, in turn will terminate your old coverage.
- To be eligible for your guaranteed coverage you must ***SIGN*** and ***DATE*** the *Offer Acceptance Form* as soon as possible. There are two ways to accept your offer:
 1. Simply go to www.celtichealth.com/enroll. Log on using your current policy number to sign and date the Celtic Offer Acceptance Form online – quickly, and securely
 2. Complete, sign and date the enclosed form and you can either:
 - a. Mail the form to Celtic Insurance Company, PO Box 06469, Chicago, IL 60606
 - b. Fax the form to 1-312-441-0822, or
 - c. Scan and email the form to enrollment@celtichealth.com

You can rest easy knowing that Celtic is a well-respected national health insurance company that has offered high-quality health plans to individuals and families for more than three decades. Celtic also has a positive reputation in the industry for financial stability. We're here to protect you against the rising cost of medical care. To create a smooth transition with uninterrupted coverage, continue to pay your current insurance premium until your new Celtic coverage becomes effective.

If you have any questions, please contact a Celtic Customer Service Representative toll-free at 1-800-766-6550, Monday through Friday, 7:00 a.m. to 7:00 p.m. Central Standard Time. We look forward to serving your health insurance needs for many years to come.

Richard Lynch
President and CEO
Celtic Insurance Company

P.S. Please logon and submit your *Offer Acceptance Form* today to assure uninterrupted health coverage for you and your family...guaranteed.

CELTIC INSURANCE COMPANY OFFER ACCEPTANCE FORM
FOR QUICK AND EASY ENROLLMENT LOG ONTO www.celtichealth.com

<<Name_First Name_Last>> <<Policy_No>>
<<Mail_Address_1>>
<<Mail_Address_2>>
<<Mail_City Mail_State Mail_Zip>>

Email Address: _____
Phone Number: _____
Guardian Name: _____

(If primary applicant is under 18)

If your address has changed, please call 1-800-xxx-xxxx to update your information and obtain new rates (if applicable).

<<Offer1_Rate>> <<Offer1_Product Name>> <<Offer1_Deductible>> <<Offer1_Coinsurance>>	<<Offer2_Rate>> <<Offer2_Product Name>> <<Offer2_Deductible>> <<Offer2_Coinsurance>>
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Name	Reference Number	Relationship	Date of Birth	Delete Dependent (please check if applicable)
<<Name_First Name_Last>>	<<Ref_No>>	<<Relationship>>	<<DOB>>	Not Applicable
<<Name_First Name_Last>>	<<Ref_No>>	<<Relationship>>	<<DOB>>	
<<Name_First Name_Last>>	<<Ref_No>>	<<Relationship>>	<<DOB>>	
<<Name_First Name_Last>>	<<Ref_No>>	<<Relationship>>	<<DOB>>	

RIDERS: If riders are listed, please logon to www.celtichealth.com to view details of riders

Name	Reference Number	Rider Description	Duration
<<Name_First>>	<<Ref_No>>	<<Rider Description>>	<<Exclusion # of months>>

BILLING INFORMATION

☐ Monthly Automatic Pay - No Bill Fee (Complete Monthly Automatic Pay information below)

MONTHLY AUTOMATIC PAY PLAN

Name of Financial Institution: _____ Type of account: ☐ Check or ☐ Savings

Checking/Savings Account Number: _____ ABA 9 Digit Routing Number: _____

Celtic Insurance Company is hereby authorized to present checks drawn on my checking or savings account on the first business day of each month, until this authorization is terminated. I further authorize the bank named to pay and charge to my account those payments that are drawn on my account by Celtic Insurance Company, and I agree that the bank named shall be fully protected in honoring any such payments. The bank's rights and treatment of each payment shall be the same as if it were signed by me. If any such payment is dishonored, whether with or without cause, I understand that the bank shall not be liable whatsoever, even though such dishonor results in a forfeiture of insurance. To terminate coverage, I will also notify Celtic Insurance Company in writing.

Other Billing Methods (Select One)

☐ Monthly Billing (Note: Not available for Celtic Basic) Up to \$10 Bill Fee per Month
☐ Quarterly Billing - Up to \$10 Bill Fee per Quarter

Payor/Billing Name and Address if different from Primary (Please print):

First Middle Last

Street (or, P.O. Box) City State Zip

Signature of Primary Applicant: _____ DATE _____

(Parent or Guardian if under 18 years of age)

Signature of Spouse: _____ DATE _____

PHONE: 1-800-XXX-XXXX

FAX: 312-441-0822

Celtic Insurance Company, PO Box 06469, Chicago IL 60606

Please retain a copy of this Offer Acceptance Form for your records.

ACKNOWLEDGED AND AGREED:

Yes, I accept this exclusive, one-time only offer from Celtic Insurance Company (Celtic) for coverage, to replace the policy currently provided by <<Distribution Channel>>.

With this acceptance:

- I acknowledge that I have read and understand the Celtic offer; and
- I understand that this offer is contingent on my <<Distribution Channel>> policy remaining in effect until my new Celtic policy becomes effective, meaning my <<Distribution Channel>> policy has not lapsed due to nonpayment of premiums and the expiration of any applicable <<Distribution Channel>> grace period, or Celtic will not extend coverage pursuant to this offer; and
- I agree that by accepting this offer I also authorize the termination of my <<Distribution Channel>> policy effective at the end of <<Date Specified>>; and this Celtic policy becomes effective 12:00 a.m. on <<Date Specified +1>>; and
- I understand that this acceptance represents my written acceptance of any attached Endorsement/Rider to the Policy Regarding Coverage Exclusions.

Name of Policyholder: _____

Signature of Policyholder _____ Date: _____

(or Parent/Guardian if Policyholder is a minor)

The Celtic logo consists of the word "CELTIC" in a bold, white, sans-serif font, centered within a dark, rounded rectangular background. A registered trademark symbol (®) is located at the top right of the logo.

Questions about your Celtic offer? We have your answers.

You're guaranteed coverage with Celtic Insurance Company (Celtic). *We will not turn you down. No long health questionnaires.* Just enroll by the deadline with Celtic and you're assured of uninterrupted, quality health insurance that's affordable.

Q. How strong and experienced is Celtic?

A. Since its start more than three decades ago, Celtic Insurance Company has grown to become one of the most respected, experienced and financially sound specialty health insurance companies in America. We're known for our financial stability, consistently strong operating results and quality A.M. Best Rating.

Q. How can I accept the offer and choose Celtic as my insurer?

A. We've made it easy for you to choose Celtic as your health insurer. You have two options:

1. Go to www.celtichealth.com/enroll. Log on using your current policy number to sign and date the Celtic Offer Acceptance Form online—quickly, and securely.
2. A *Celtic Offer Acceptance Form* is included in this mailer. Simply complete, sign and date the form and you can either:
 - a. Mail the form to Celtic Insurance Company, PO Box 06469, Chicago, IL 60606
 - b. Fax the form to 1-312-441-0822, or
 - c. Scan and email the form to enrollment@celtichealth.com

Q. What if I am having trouble logging in to sign my Celtic Offer Acceptance Form?

A. If you are having trouble logging in to sign your Celtic Offer Acceptance Form, please call Celtic's toll free number 800-766-6550 for assistance.

Q. Does the offer apply to all dependents covered under my current policy?

A. Yes, the offer applies to all covered dependents under age 64.5 on your current policy. If you wish to add dependents on the new policy, the guaranteed issue offer would not apply. You and your dependents would need to apply for coverage and go through medical underwriting. However, you are allowed to drop dependents from your coverage. If you wish to drop the primary insured, please call Customer Service 800-766-6550 for assistance.

Q. Will my rate remain the same?

A. The premium for the Celtic plan offered may differ somewhat from what you pay for your current coverage. The plan that is offered will be guaranteed issue, meaning you cannot be turned down because of your health.

Q. If I accept the Celtic offer do I need to send any money now?

A. No. Choose the easy and quick Monthly Automatic Pay Plan option on the Celtic Offer Acceptance Form, and your payment will be deducted from your account on the first day of every month after your new policy becomes effective. Please reference the letter to find the policy effective date for your guaranteed issue offer. If you choose another billing option, Celtic will send you a paper bill. Paper billing is associated with a billing fee.

Q. Do I have to accept the offer from Celtic Insurance Company?

A. No, you do not. However, your current carrier believes it is in the best interest of their policyholders to have the opportunity to transfer to a Celtic Insurance Company plan on a guaranteed-issue basis. If you do not wish to accept Celtic's offer, you may shop for your own coverage or contact your agent for assistance.